

Introduced By: Board of Directors  
Date Introduced: April 10, 2006  
Date Passed: April 10, 2006  
Date Transmitted: April 11, 2006  
Date Amended: April 18, 2006

**A RESOLUTION OF THE  
GREATER FAIRBANKS CHAMBER OF COMMERCE (GFCC)  
IN SUPPORT OF A NEW PETROLEUM PRODUCTION TAX (PPT) FOR  
ALASKA**

**Resolution 06-0410, as amended**

**WHEREAS**, it is the mission of the Greater Fairbanks Chamber of Commerce (GFCC) to support and advocate for a strong investment and economic development climate; and

**WHEREAS**, the oil and gas industry dramatically impacts multiple segments of the private-sector economy; and

**WHEREAS**, oil and gas royalties and taxes currently provide nearly 90 percent of the State's general revenue; and

**WHEREAS**, Alaska's oil production rate of decline urgently requires arrest; and

**WHEREAS**, the current rates of investment by industry are inadequate to arrest or improve this decline; and

**WHEREAS**, once declining oil production reaches 600,000 bpd, the viability of Interior refineries will be severely compromised; and

**WHEREAS**, the existing severance tax system - Economic Limit Factor (ELF) – is currently not in the best interest of all stakeholders; and

**WHEREAS**, a globally recognized new tax system- petroleum production tax (PPT) - has been proposed by the Governor; and

**WHEREAS**, the PPT ultimately approved by the Legislature will directly impact how attractive Alaska is for investment;

**Benefactors**

ACS Directory  
Alaska Airlines  
Alaska Communications Systems  
Alaska Digital Printing  
Alaska Railroad  
Alaska USA Federal Credit Union  
Alyeska Pipeline Service Company  
AT&T Alascom  
Boeing  
BP Exploration, Inc.  
CellularOne  
ConocoPhillips Alaska, Inc.  
Denali State Bank  
Design Alaska  
Digital Express  
Doyon, Limited  
ExxonMobil  
Fairbanks Building & Construction Trades Council "The Unions"  
Fairbanks Daily News-Miner  
Fairbanks Gold Mining Inc. Fort Knox Mine  
Fairbanks Memorial Hospital-Denali Center  
Fairbanks Natural Gas, LLC  
First National Bank Alaska  
Flint Hills Resources  
Flowline Alaska  
GCI  
Golden Heart Utilities  
Golden Valley Electric Association  
Key Bank of Alaska  
MAC Federal Credit Union  
Mt. McKinley Bank  
Northrim Bank  
Phone Directories Company  
Santina's Flowers & Gifts  
Seekins Ford, Lincoln, Mercury  
Tanana Valley Clinic  
Totem Ocean Trailer Express  
University of Alaska Fairbanks  
Usibelli Coal Mine  
Wells Fargo  
Westmark Fairbanks Hotel & Conference Center

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors of the GFCC supports legislation that embodies the following goals and tenets:

- a reasonable increase of return to Alaska;
- provides strong incentive for maximum statewide oil and gas exploration and development investment by the industry;
- furthers a 50-year vision to extend the North Slope oil production infrastructure;
- is nationally and globally competitive;
- lends itself to ease of administration;
- expeditiously advances a gas pipeline project;

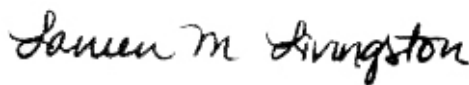
**AND BE IT FURTHER RESOLVED** that a tax rate higher than 20 percent and a total tax take that substantially exceeds the PPT legislations' original version - as does the Senate Resources CS – could very well be counter productive to the GFCC goals and tenets outlined above,

**AND BE IT FURTHER RESOLVED** that copies of this resolution be sent to Governor Frank Murkowski, the Alaska Legislature, the GFCC membership, the statewide media, Alaska State Chamber of Commerce, Anchorage Chamber of Commerce, Resource Development Council, Alaska Oil and Gas Association, The Alliance and FEDC.

Approved the 18<sup>th</sup> day of April, 2006



Marilyn Romano  
GFCC Board Chair



Lanien Livingston  
President/CEO



Margaret Russell  
Government Affairs Committee Co-Chair



Charlie Boddy  
Government Affairs Committee Co-Chair



Rhonda Boyles  
Natural Resources Committee Chair

## Benefactors

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ConocoPhillips Alaska, Inc.  
Denali State Bank  
Design Alaska  
Digital Express  
Doyon, Limited  
ExxonMobil  
Fairbanks Building & Construction Trades Council "The Unions"  
Fairbanks Daily News-Miner  
Fairbanks Gold Mining Inc. Fort Knox Mine  
Fairbanks Memorial Hospital-Denali Center  
Fairbanks Natural Gas, LLC  
First National Bank Alaska  
Flint Hills Resources  
Flowline Alaska  
GCI  
Golden Heart Utilities  
Golden Valley Electric Association  
Key Bank of Alaska  
MAC Federal Credit Union  
Mt. McKinley Bank  
Northrim Bank  
Phone Directories Company  
Santina's Flowers & Gifts  
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